

## Office of the Attorney General Robert E. Cooper, Jr.

## **Department of Commerce and Insurance Commissioner Leslie Shechter Newman**

## **NEWS RELEASE**

Office of the Attorney General P.O. Box 20207 Nashville, TN 37202-0207

Department of Commerce and Insurance Division of Consumer Affairs 500 James Robertson Parkway Nashville, TN 37243

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## ATTORNEY GENERAL AND DIVISION OF CONSUMER AFFAIRS ASK TENNESSEANS TO BE AWARE OF POTENTIAL PRICE GOUGERS

In the aftermath of the deadly tornadoes that struck Tennessee on Tuesday, Attorney General Bob Cooper and Division of Consumer Affairs Director Mary Clement are asking all Tennesseans to be on the lookout for potential price gougers.

Some individuals may take advantage of this disaster by unreasonably raising the prices they charge for goods and services that are necessary to the health and welfare of consumers. This practice is commonly referred to as price gouging.

Businesses are prohibited by state law from "unreasonably raising prices or unreasonably restricting supplies of essential goods, commodities or services in direct response to a crime, act of terrorism, war, or natural disaster." Penalties for violations of the Act are up to \$1,000 per violation and are Class B misdemeanors.

"While most Tennessee businesses always abide by the law and would never take advantage of those in need, consumers should be alert to potential unscrupulous individuals who may unlawfully inflate prices," Attorney General Cooper said. "We are prepared to enforce the law against anyone who unreasonably raises prices to take advantage of consumers."

Mary Clement, the Director of the Division of Consumer Affairs, said, "I urge consumers to call the State's consumer hotline at 1-800-342-8385 to report price gouging activities. To file a complaint to report suspected gouging, please be prepared to provide the specifics including the location of the business, the date and time of the sale, and the price charged."

Under the Consumer Protection Act, the Attorney General, in conjunction with the Division of Consumer Affairs, can request that a court issue injunctions and order civil penalties of up to \$1,000.00 for each violation. The State can also seek refunds for consumers.

The Attorney General and the Tennessee Division of Consumer Affairs remind consumers and businesses that they will aggressively monitor price gougers as they have done in the past.

Following Hurricane Katrina, the Office of the Attorney General pursued enforcement actions against businesses in Chattanooga and Memphis for engaging in price gouging practices.

For additional information on disaster related issues, consumers can go online to www. attorneygeneral.state.tn.us/cpro/disaster.htm.